

VILLAGE OF MONTPELIER, LOUISIANA

**REPORT ON COMPILATION OF BASIC
FINANCIAL STATEMENTS**

AS OF AND FOR THE YEAR ENDED JUNE 30, 2013

Village of Montpelier, Louisiana
As of and For the Year Ended June 30, 2013
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December 9, 2013

Accountant's Compilation Report

The Honorable Kenneth Giardina, Mayor
and Members of the Board of Aldermen
Village of Montpelier, Louisiana

We have compiled the accompanying financial statements of the governmental activities and the business-type activities of the Village of Montpelier, Louisiana, as of and for the year ended June 30, 2013, which collectively comprise the Village's basic financial statements as listed in the table of contents. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

The management of the Village of Montpelier, Louisiana is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the Village's financial position, results of operations, and cash flows. Accordingly, the financial statements are not designed for those who are not informed about such matters.

Management has omitted the management's discussion and analysis and budgetary comparison schedule that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

We are not independent with respect to the Village of Montpelier, Louisiana.

Respectfully submitted,

Durnin & James, CPAs

Durnin & James, CPAs
(A Professional Corporation)

Village of Montpelier, Louisiana
Statement of Net Position
June 30, 2013

Exhibit A

	Governmental Activities	Business-Type Activities	Total
Assets			
Cash	\$ 20,272	\$ 21,194	\$ 41,466
Investments	-	150,000	150,000
Accounts Receivables, Net	-	5,223	5,223
Restricted Assets:			
Cash	-	10,647	10,647
Investments	-	8,000	8,000
Capital Assets, Net	<u>103,284</u>	<u>224,229</u>	<u>327,513</u>
 Total Assets	 <u>\$ 123,556</u>	 <u>\$ 419,293</u>	 <u>\$ 542,849</u>
Liabilities			
Accounts Payable	\$ -	\$ 622	\$ 622
Payroll Liabilities Payable	361	119	480
Payable from Restricted Assets:			
Customer Deposits	<u>-</u>	<u>9,259</u>	<u>9,259</u>
Total Liabilities	<u>\$ 361</u>	<u>\$ 10,000</u>	<u>\$ 10,361</u>
Fund Balance			
Investment in Fixed Assets	\$ 103,284	\$ 224,229	\$ 327,513
Unrestricted	<u>19,911</u>	<u>185,064</u>	<u>204,975</u>
 Total Fund Balance	 <u>\$ 123,195</u>	 <u>\$ 409,293</u>	 <u>\$ 532,488</u>

See accountant's compilation report.

Village of Montpelier, Louisiana
Statement of Activities
For the Year Ended June 30, 2013

Exhibit B

	Governmental Activities	Business-Type Activities	Total
Expenses:			
Governmental Activities:			
General Government	\$ 71,122	\$ -	\$ 71,122
Public Safety - Police	2,225	-	2,225
Public Safety - Police Supplemental Pay	6,000	-	6,000
Public Safety - Fire	-	-	-
Business-Type Activities:			
Gas System	-	31,225	31,225
Water System	-	17,216	17,216
Depreciation	9,991	17,688	27,679
Total Expenditures	89,338	66,129	155,467
Program Revenues:			
Charges for Services	2,118	71,994	74,112
Operating Grants	24,116	-	24,116
Total Program Revenues	26,234	71,994	98,228
Net Program (Expense) / Revenue	(63,104)	5,865	(57,239)
General Revenues			
Taxes, Licenses, and Permits	64,622	-	64,622
Interest Income	1,644	26	1,670
State Supplemental Pay	6,000	-	6,000
Other Income	12,978	1,336	14,314
Interfund Transfers	8,269	(8,269)	-
Total Revenues	93,513	(6,907)	86,606
Change in Net Position	30,409	(1,042)	29,367
Net Position - Beginning of the Year	92,786	410,335	503,121
Net Position - End of the Year	\$ 123,195	\$ 409,293	\$ 532,488

See accountant's compilation report.

Village of Montpelier, Louisiana
Governmental Fund – Balance Sheet
June 30, 2013

Exhibit C

	<u>General Fund</u>
Assets	
Cash and Cash Equivalents	\$ 20,272
Accounts Receivable, Net	<u>-</u>
Total Assets	<u><u>\$ 20,272</u></u>
Liabilities and Fund Balance	
Liabilities:	
Accounts Payable	\$ -
Payroll Liabilities Payable	<u>361</u>
Total Liabilities	361
Fund Balance:	
Unassigned	<u>19,911</u>
Total Fund Balances	<u>19,911</u>
Total Liabilities and Fund Balance	<u><u>\$ 20,272</u></u>

See accountant's compilation report.

Village of Montpelier, Louisiana
Reconciliation of the Governmental Fund Balance Sheet to the
Government-Wide Statement of Net Position
June 30, 2013

Exhibit D

Total Fund Balances, Governmental Fund (Exhibit C)	\$	19,911
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Governmental Capital Assets, Net of Depreciation		<u>103,284</u>
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Net Position of Governmental Activities (Exhibit A)	\$	<u><u>123,195</u></u>
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See accountant's compilation report.

Village of Montpelier, Louisiana
Statement of Revenues, Expenses, and Changes in
Fund Balance – Governmental Fund
For the Year Ended June 30, 2013

Exhibit E

	<u>General Fund</u>
Revenues:	
Taxes, Licenses, and Permits	\$ 64,622
Grant Revenue	24,116
Interest Income	1,644
State Supplemental Pay	6,000
Police Fines	2,118
Other Income	<u>12,978</u>
Total Revenues	<u>111,478</u>
Expenses:	
General Government	95,233
Public Safety - Police	2,225
Public Safety - Police Supplemental Pay	6,000
Public Safety - Fire	<u>-</u>
Total Expenditures	103,458
Excess of Revenues over Expenditures	8,020
Other Financing Sources (Uses):	
Operating Transfers In	12,768
Operating Transfers (Out)	<u>(4,499)</u>
Total Other Financing Sources (Uses)	<u>8,269</u>
Excess of Revenues and Other Sources over Expenses and Other Uses	16,289
Fund Balance - Beginning of the Year	<u>3,622</u>
Fund Balance - End of the Year	<u><u>\$ 19,911</u></u>

See accountant's compilation report.

Village of Montpelier, Louisiana
Reconciliation of the Statement of Revenues, Expenses, and Changes in
Fund Balance to the Government-Wide Statement of Activities
For the Year Ended June 30, 2013

Exhibit F

Net Change in Fund Balances, Governmental Funds (Exhibit E)	\$	16,289
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Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenses. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. These differences consist of:

Capital Outlay		24,111
Depreciation Expense		<u>(9,991)</u>

Change in Net Position of Governmental Activities (Exhibit B)	\$	<u>30,409</u>
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See accountant's compilation report.

Village of Montpelier, Louisiana
Statement of Net Assets – Proprietary Funds
June 30, 2013

Exhibit G

	<u>Gas Fund</u>	<u>Water Fund</u>	<u>Total</u>
Assets			
Cash	\$ 11,104	\$ 10,090	\$ 21,194
Investments	140,000	10,000	150,000
Accounts Receivables, Net	2,535	2,688	5,223
Restricted Assets:			
Cash	6,434	4,213	10,647
Investments	6,000	2,000	8,000
Capital Assets, Net of Accumulated Depreciation	69,164	155,065	224,229
Total Assets	<u>\$ 235,237</u>	<u>\$ 184,056</u>	<u>\$ 419,293</u>
Liabilities and Net Assets			
Liabilities:			
Accounts Payable	\$ 106	\$ 516	\$ 622
Payroll Taxes Payable	57	62	119
Payable from Restricted Assets:			
Customer Deposits	5,954	3,305	9,259
Total Liabilities	6,117	3,883	10,000
Net Assets:			
Investment in Capital Assets	69,164	155,065	224,229
Unreserved, Undesignated	159,956	25,108	185,064
Total Net Assets	229,120	180,173	409,293
Total Liabilities and Net Assets	<u>\$ 235,237</u>	<u>\$ 184,056</u>	<u>\$ 419,293</u>

See accountant's compilation report.

Village of Montpelier, Louisiana
Statement of Revenues, Expenses, and Changes in Net Assets –
Proprietary Funds
For the Year Ended June 30, 2013

Exhibit H

	<u>Gas Fund</u>	<u>Water Fund</u>	<u>Total</u>
Operating Revenues:			
Sales	\$ 42,460	\$ 29,534	\$ 71,994
Total Operating Revenues	42,460	29,534	71,994
Operating Expenses:			
Gas Purchases	16,535	-	16,535
Salaries and Related Benefits	3,448	3,867	7,315
Repairs and Maintenance	3,843	5,227	9,070
Insurance	2,044	-	2,044
Office Expense	944	785	1,729
Utilities	835	2,977	3,812
Miscellaneous Expense	3,576	4,360	7,936
Depreciation	11,677	6,011	17,688
Total Operating Expenses	42,902	23,227	66,129
Net Operating Income (Loss)	(442)	6,307	5,865
Nonoperating Revenues / (Expenses):			
Interest Income	13	13	26
Miscellaneous Revenues	280	1,056	1,336
Operating Transfers In	900	-	900
Operating Transfers (Out)	(3,167)	(6,002)	(9,169)
Total Nonoperating Revenues / (Expenses)	(1,974)	(4,933)	(6,907)
Change in Net Assets	(2,416)	1,374	(1,042)
Net Assets - Beginning of the Year	231,536	178,799	410,335
Net Assets - End of the Year	\$ 229,120	\$ 180,173	\$ 409,293

See accountant's compilation report.

Village of Montpelier, Louisiana
Statement of Cash Flows – Proprietary Funds
For the Year Ended June 30, 2013

Exhibit I

	<u>Gas Fund</u>	<u>Water Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Operating Income / (Loss)	\$ (442)	\$ 6,307	\$ 5,865
Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities:			
Depreciation	11,677	6,011	17,688
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	1,202	730	1,932
Increase in Accounts Payable	32	441	473
(Decrease) in Payroll Taxes Payable	(247)	(242)	(489)
(Decrease) in Customer Deposits Payable	(312)	(316)	(628)
Net Cash Provided by Operating Activities	11,910	12,931	24,841
Cash Flows from Noncapital Financing Activities:			
Decrease in Due from General Fund	594	594	1,188
Transfers to Other Funds	(2,267)	(6,002)	(8,269)
Net Cash (Used by) Noncapital Financing Activities	(1,673)	(5,408)	(7,081)
Cash Flows from Capital and Related Financing Activities:			
Miscellaneous Non-Operating Income	280	1,056	1,336
Net Cash Provided by Capital and Related Financing Activities	280	1,056	1,336
Cash Flows from Investing Activities:			
Interest Earned on Investments	13	13	26
Net Cash Provided by Investing Activities	13	13	26
Net Increase (Decrease) in Cash	10,530	8,592	19,122
Cash - Beginning of the Year	153,008	17,711	170,719
Cash - End of the Year	<u>\$ 163,538</u>	<u>\$ 26,303</u>	<u>\$ 189,841</u>

See accountant's compilation report.